

For reference (\*)

May 11, 2016

**Issuance of Stock Acquisition Rights for the Purpose of Granting Stock Options**  
**(pursuant to resolution of the 32<sup>nd</sup> Ordinary General Shareholders' Meeting in June, 2015)**

Tokyo, May 11, 2016 ----- Pursuant to resolution of the 32<sup>nd</sup> Ordinary General Shareholders' Meeting of Wacom Co., Ltd. (the "Company") in June 26, 2015, today, the Company resolved at a meeting of its Board of Directors to determine the terms of stock acquisition rights to directors and employees of the Company and its subsidiaries (collectively the "Group"), and to issue such stock acquisition rights, as outlined below.

**1. The reason to issue stock acquisition rights for the purpose of granting stock options.**

(1) The Company will issue stock acquisition rights to directors and employees of the Group for the purpose of giving them an incentive to contribute towards the improvement of the business performance and thereby contributing to strengthen international competitiveness of the Group.

**2. Terms and conditions of the stock acquisition rights ("SARs").**

(1) Name of SARs

The 11th Stock Acquisition Rights of Wacom Co., Ltd.

(2) Number of Recipients and SARs.

Employees of the Company	1 person	520 units
Directors of the subsidiaries of the Company	3 persons	4,680 units
Employees of the subsidiaries of the Company	4 persons	2,000 units

(3) Type and Number of the Shares as the Objective of SARs.

The type of shares as the objective of SARs shall be common shares of the Company and the number of shares per one unit of SARs (the "Grant Number of Shares") shall be one hundred (100).

If the Company conducts a stock split or a reverse-stock split after the day of assignment of SARs (the "Allocation Day"), the Grant Number of Shares shall be adjusted according to the following formula. However, such adjustment shall be made only for the shares associated with SARs that have not been exercised as of the date of such an event. Any fraction less than one share created as a result of the adjustment shall be discarded.

Number of shares after adjustment = number of shares before adjustment x ratio of stock split or reverse-stock split.

In addition to the above, if some adjustment on the number of the issuable shares is required and inevitable after the Allocation Day, the Company may adjust the Grant Number of Shares to the reasonable extent.

(4) Total Number of SARs.

The total number of SARs shall be 7,200 units.

The above total number of SARs is a projected number, and in such cases of reduction in the number of SARs for allocation as unfulfilled applications for acceptance of SARs and so on, the total number of SARs of effective allocation shall be regarded as the total number of SARs issued.

(5) Amount to Be Paid in Exchange for SARs.

At the time of allocation, any payment shall not be required in exchange for the acquisition of SARs.

(6) Asset Value to Be Invested by the Exercise of SARs.

The asset value to be invested by the exercise of one unit of SARs shall be the amount obtained by multiplying the amount to be paid for each share to be issued upon the exercise of SARs, (the "Exercise Price") by the Grant Number of Shares.

The Exercise Prices is defined as follows:

The Exercise Prices shall be the amount obtained by multiplying the closing price of the common stock in the regular trading thereof on the Tokyo Stock Exchange on the Allocation Day (in the event that there is no closing price on the Allocation Day, the closing price on the day of solid trading immediately preceding the Allocation Day shall apply) by 1.025, provided that any amount less than one (1) yen shall be rounded up to the nearest yen.

In the event the Company carries out a stock split or a reverse-stock split after the Allocation Day of SARs, the Exercise Price shall be adjusted according to the following formula and any fractional number less than one (1) yen arising from the adjustment shall be rounded up to the nearest yen.

Exercise Price after adjustment = Exercise Price before adjustment x 1 / ratio of stock split or reverse-stock split.

In addition to the above, if any such events occur after the Allocation Day as a merger of the Company with another company, a demerger of the Company, a reduction of the

Company's capital and whatever similar to those cases and if adjustment of the Exercise Prices is required, the Exercise Price shall be adjusted to the reasonable extent by the resolution to be adopted at the meeting of the Board of Directors.

(7) Period for Exercising SARs.

From May 27, 2018 to May 26, 2021

(8) Conditions for Exercising SARs.

- (i) Each stock acquisition right may not be partially exercised.
- (ii) The grantees of SARs must be active directors and employees of the Group to which he or she belongs, at the time such rights are granted.
- (iii) SARs may not be inherited.
- (iv) When the grantees abandon SARs, they cannot exercise their SARs concerned.

(9) Case of Expropriation and Conditions.

In the event when the agreement of a merger which stipulates absorption of the Company by another company gets approved by the General Meeting of Shareholders and when the agreement of the absorption division contract or the new establishment division plan approval which makes the Company a division company get approved by the General Meeting of Shareholders, or when the stock exchange agreement or the stock transfer resolution which makes the Company a complete subsidiary of another company get adopted by the General Meeting of Shareholders, the Company may expropriate SARs from the recipients free of charge.

(10) Restrictions on the Transfer of SARs.

Any acquisition of the Option through transfer requires the approval of the Board of Directors.

(11) Subjects related to the Paid-in Capital and Capital Reserve to Be Increased by the Issuance of Shares at the Time of the Exercise of SARs.

- (i) The amount of the paid-in capital to be increased by the issuance of shares at the time of exercising SARs shall be half of the maximum amount of increase of the paid-in capital and so on, to be calculated in accordance with the item 1 of Article 17 of the Corporate Account Statements Rules, provided that any amount less than one (1) yen shall be rounded up to the nearest yen.
- (ii) The amount of the capital reserve to be increased by the issuance of shares at the time of exercising SARs shall be the amount to be obtained by deducting the actual increased amount of paid-in capital by the above item (1) from the increased amount of paid-in capital and so on, calculated in accordance with the item 1 of

Article 17 of the Corporate Account Statements Rule.

(12) Handling of Fractions Less Than One Share at the Time of Exercising SARs.

If the shares to be issued when exercising SARs include fractions less than one (1) share, such fractions shall be discarded.

(13) Allocation Day of SARs.

May 26, 2016

(\*) This is translated to English from a Japanese announcement solely for convenience of non-Japanese readers.

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